IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF MISSOURI SOUTHERN DIVISION

UNITED STATES OF AMERICA, Plaintiff, v. ROBERT KEEHNER, [DOB: 06/1/1967] Defendant.	Case No. 16-3121-01-CR-S-MDH **COUNT ONE:** ***Fraud Using Property Mortgaged or Pledged to Farm Credit Agencies*** 18 U.S.C. § 658 NMT: 5 Years Imprisonment NMT: $1,000 Fine NMT: 3 Years Supervised Release Class D Felony $100 Mandatory Special Assessment

INFORMATION

THE UNITED STATES ATTORNEY CHARGES THAT:

INTRODUCTION

1. At all times relevant to the Information:

The United States Department of Agriculture and the Farm Service Agency

a. The United States Department of Agriculture ("USDA") is a governmental agency that controls agriculture subsidies, loan programs, and other policies for farmers and ranchers within the United States.

b. The Agricultural Credit Insurance Fund funds the Government's farm loan programs for farmers and ranchers who do not have available credit elsewhere and need aid. The Farm Service Agency ("FSA") is a successor agency to the Farmers Home Administration. FSA administers the loan programs for family-sized farms and ranches. FSA is responsible for approving, collecting, servicing, and liquidating loans. The basic objective of the FSA loan programs is to provide credit and management assistance to farmers and ranchers to become operators of family-sized farms or continue such operations when credit is not available elsewhere. One such FSA program provides operating loans for the purchase of livestock and equipment and to pay for minor real estate repairs and annual operating expenses.

c. Requirements to obtain an FSA farm loan include:

i. an agreement for use of proceeds/release of chattel security, allowing the FSA to place a blanket lien on all items purchased with the loan, treating them as chattel and collateral;

ii. a security agreement on chattels and crops saying anything the borrower currently owns or acquires thereafter is pledged as collateral; and

iii. a promissory note indicating the rate of interest and the repayment terms.

d. The required agreements mandate that a borrower must have FSA approval prior to the selling, exchanging, feeding or disposing of any collateral in which FSA has an interest. Both the FSA and borrower name must be listed on all checks, drafts or money orders received for the sale of collateral. A borrower must obtain permission from a loan officer prior to selling any livestock in a different way than described in the required business plan that was submitted in support of the application for the loan. A borrower also must keep the collateralized livestock safe, healthy, and well fed. The borrower must not place any additional liens or encumbrances on collateralized property without first obtaining FSA's permission.

The Defendant and his FSA Loans

e. Defendant Robert Keehner and his spouse were residents of Norwood, Douglas County, Missouri.

f. Defendant Robert Keehner and his spouse owned and operated a dairy farm in Norwood, Missouri, in the Western District of Missouri.

g. Between March 15, 2006, and December 15, 2009, defendant Robert Keehner aquire and subsequently refinanced one or more FSA loans. Defendant Keehner and his spouse each signed an "FSA Agreement for the Use of Proceeds/Release of Chattel Security," and an "FSA Security Agreement" in order to secure these loans.

h. After defendant Robert Keehner and his spouse acquired and refinanced one or more FSA loans, the FSA funds were used at the direction of defendant Robert Keehner to build, maintain, and operate a dairy farm operation. Among other things, the FSA funds were used to purchase livestock, dairy and farming equipment, and farmland. This livestock, as well as the dairy and farming equipment were pledged collateral for the FSA loans when the loans were originally granted and then subsequently refinanced.

i. In an effort to protects its interest in the pledged collateral, the FSA filed Uniformed Commercial Code Filings (UCC) with the Secretary of State of Missouri. These UCC filings indicated that the proceeds from the sale of animals or equipment by the defendant Robert Keehner, and/or his spouse, were subject to FSA liens.

COUNT ONE

2. By this reference, the allegations contained in Paragraph 1 are re-alleged and incorporated by reference as if fully set forth therein.

3. Beginning in or around October 20, 2011, and continuing through March 27, 2014, said dates being approximate, in Douglas County, in the Western District of Missouri and elsewhere, defendant ROBERT KEEHNER, in a matter within the jurisdiction of the United States Department of Agriculture (USDA), with the intent to defraud, knowingly concealed, removed, disposed, and converted to his own use, property mortgaged and pledged to the USDA, to wit: livestock, dairy, and farming equipment, with a value exceeding $1,000.00. Specifically, defendant ROBERT KEEHNER knowingly concealed from the USDA that he wrongfully sold livestock, dairy, and farming equipment mortgaged to the USDA and converted the proceeds to his own use. By such action, defendant ROBERT KEEHER caused losses to the USDA in the amount of $120,543.87. All in violation of Title 18, United States Code, Section 658.

Respectfully submitted,

Tammy Dickinson
United States Attorney

By

Patrick Carney
Assistant United States Attorney

Dated: 11/9/2016